much later, but the opportunity for the issue of circulating notes by individuals and small firms was availed of. The notes of the Bank of England had little circulation outside of London and the rapid development of canal building and other enterprises during the last half of the eighteenth century created a demand for a larger credit currency. Professor MacLeod declares, in spearking of the principle of monopoly embodied in the charter of 1697, that "The frightful convulsions and collapses of public credit which have taken place during the last three-quarters of a century are chiefly due to this great wrong.'[11] The effect was not felt until nearly a century later, when England began to take her place at the head of the commercial nations, but after the crisis of 1782 "multitudes of miserable shopkeepers in the country, grocers, tailors, drapers, started up like mushrooms and turned bankers, and issued their notes, inundating the country with their miserable rags." Burke said that when he came to England in 1750 there were not twelve bankers out of London ; in 1793 there were nearly four hundred. The Bank of England began to issue notes for *£10* and ^15 as early as 1759, but the private bankers issued them for smaller amounts, and in 1775 an act was passed to prohibit notes of less than twenty shillings, and two years afterwards the limit was raised to ^5.

The prohibition upon note issues was probably one of the causes which contributed to the use of checks. The notes issued by private bankers were at first written on paper for any odd sum, like promissory notes. The practice was introduced by Child and Co., in 1729, of having the notes partly printed and partly written, like a modern check. These notes continued to be issued till about 1793, when the existing system was introduced, of giving the depositor a credit for the full amount of his deposit and authorizing him to draw checks at his convenience against it.[a] The issue of

[1] *Theory and Practice of Banking,* I., 479.

[2] MacLeod, *Theory and Practice of Banking,* I., 331, 515. M. Juglar (343) says that the use of checks replaced the use of bills in 1772.